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State of Utah

DEPARTMENT OF NATURAL RESOURCES

Division of Oil, Gas & Mining

MICHAEL R. STYLER
Executive Director

JOHN R. BAZA
Division Director

Inspection Report

Supervisor OK

Minerals Regulatory Program

Date of Report: April 17, 2008

Mine Name: Tony M
Operator Name: Denison Mines

Permit number: M0170049

Inspection Date: January 22,
2008

Time: 3:30-4:45 PM

Inspector(s): Paul Baker

Other Participants: Clay Taylor and Danny Flannery, Denison

Mine Status: Active

Weather: Mostly clear, 40s

Elements of Inspection

Elements of Inspection	Evaluated	Comment	Enforcement
1. Permits, Revisions, Transfer, Bonds	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Public Safety (shafts, adits, trash, signs, highwalls)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Protection of Drainages / Erosion Control	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. Deleterious Material	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Roads (maintenance, surfacing, dust control, safety)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Concurrent Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Backfilling/Grading (trenches, pits, roads, highwalls, shafts, drill holes)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Water Impoundments	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Soils	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Air Quality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Purpose of Inspection:

This was a routine inspection.

Inspection Summary:

1. Permits, Revisions, Transfer, Bonds

On March 11, 2008, the Division approved an amendment adding permits from other agencies, such as the Divisions of Air and Water Quality, to the mine plan.

On April 8, 2008, the Division received an amendment that would add about 4.6 acres to the disturbed area. According to the School and Institutional Trust Lands Administration, the two northernmost ore stockpiles left over from the previous mining operation are part of Denison's lease, and Denison would like to take this material to the Blanding mill for processing.

3. Protection of Drainages / Erosion Control

The operator has completed construction of the main channel through the site and to the north. Runoff from a series of major storms in the fall of 2006 washed away at least two or three road crossings, and the operator reconstructed one of these to restore the county road to its original position on the east side of the channel to the north of the mine. The operator also gathered and cut up the remains of the culverts so they could be recycled. The previous operator had buried a septic system drain field and building foundations, and these were exposed in the flood. Denison cleaned up this debris. For all this work, the operator will be receiving an Earth Day Award from the Board of Oil, Gas and Mining.

8. Water Impoundments

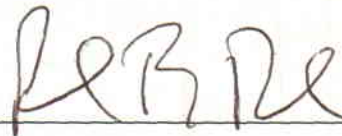
The evaporation pond has been completed except for finishing the fencing. The operator is pumping water from the mine into the pond.

The operator has also built a sediment pond at the lower end of the surface facilities area. The plan says there would be two sediment ponds, and although I didn't make any attempt to measure the size of the pond, it seemed smaller than I expected for a pond that would hold runoff from the entire portal area. I understand that since my inspection, the pond has been enlarged.

Conclusions and Recommendations:

The operator needs to submit new designs for the runoff control system showing how the system works and that the runoff can be treated by the pond that was built.

Inspector's Signature



Date:

4/17/08

PBB:pb

cc: Clay Taylor, Denison
Will Stokes, SITLA
Buzz Rakow, Hanksville BLM

Attachment: Photos

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ATTACHMENT

Photographs

M0170049, Tony M Mine, Denison Mines

Inspection Dated: January 22, 2008; Report Dated: April 17, 2008



Photo 1. The sediment pond.



Photo 3. The reconstructed county road crossings.



Photo 2. The main channel.



Photo 4. The evaporation pond.

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Photo 1. The sediment pond.



Photo 3. The reconstructed county road crossings.



Photo 2. The main channel.



Photo 4. The evaporation pond.

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